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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

16 UNITED STATES OF AMERICA,

No. 2:23-CR-524 (A) -DMG-6

17 Plaintiff,

UNITED STATES' SENTENCING POSITION

18 v.

Hearing Date: January 5, 2026

19 DIEGO ACOSTA OVALLE,

Hearing Time: 11:00 a.m.

20 Defendant.

Location: Courtroom of the

Hon. Dolly M. Gee

22  
23 Plaintiff United States of America, by and through its counsel  
24 of record, Assistant United States Attorneys J. Mark Childs, Jeremy  
25 K. Beecher, and Matt Coe-Odess, hereby files its sentencing position  
26 regarding defendant Diego Acosta Ovalle.

27 //  
28 //

The United States' sentencing position is based upon the attached memorandum of points and authorities, the files and records in this case, the Presentence Investigation Report and Sentencing Recommendation, and any other evidence and argument as the Court may permit.

Dated: December 22, 2025

Respectfully submitted,

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/s/

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1                   **MEMORANDUM OF POINTS AND AUTHORITIES**

2                   **I. INTRODUCTION**

3                   Defendant Diego Acosta Ovalle ("defendant") participated in a  
4 conspiracy to operate an unlicensed money transmitting business.  
5 Specifically, on multiple occasions, defendant acted as a courier who  
6 picked and delivered U.S. currency that defendant knew or believed  
7 was the proceeds of unlawful activity or intended to promote unlawful  
8 activity.

9                   On October 7, 2025, defendant pled guilty to count seven of the  
10 first superseding indictment charging defendant with conspiracy to  
11 operate an unlicensed money remitting business, in violation of 18  
12 U.S.C. §§ 371, 1960(a), (b)(1)(B). (Dkt. 549; Dkt. 530 ("Plea  
13 Agreement").

14                  The United States respectfully recommends that the Court  
15 sentence defendant to a midpoint Guidelines term of 15 months'  
16 imprisonment; a two-year term of supervised release; and the  
17 mandatory special assessment of \$100.

18                  **II. STATEMENT OF FACTS**

19                  Beginning no later than January 2021 and continuing to October  
20 2023, defendant participated in a conspiracy to operate an unlicensed  
21 money transmitting business. (PSR ¶ 49; Plea Agreement ¶ 11).  
22 Defendant became a member of the agreement and conspiracy knowing its  
23 purpose was to operate an unlicensed money transmitting business  
24 affecting interstate and foreign commerce. (*Id.*) At all relevant  
25 times, neither defendant nor any co-conspirator was registered to  
26 transmit money on behalf of the public, as required by federal law

1 and regulations, and defendant knew that he was not registered.<sup>1</sup>  
2 (Id.)

3 As part of the conspiracy, defendant acted as a money courier  
4 who conducted pick-ups and drop-offs of narcotics proceeds for and on  
5 behalf of co-defendant Edgar Martinez-Reyes and the Martienz-Reyes  
6 Money Laundering Organization. (PSR ¶ 51.) For example, in  
7 furtherance of the conspiracy, on April 12, 2021, in Los Angeles,  
8 California, defendant delivered an unknown quantity of U.S. currency  
9 to co-defendant Raul Contreras. (PSR ¶ 52; Plea Agreement ¶ 11). On  
10 May 19, 2021, in South Gate, California, defendant picked up  
11 approximately \$183,030 of U.S. currency from an unidentified co-  
12 conspirator. (PSR ¶¶ 52-60; Plea Agreement ¶ 11). Defendant  
13 admitted that he knew or believed the money he transported was the  
14 proceeds of unlawful activity or intended to promote unlawful  
15 activity. (Plea Agreement ¶¶ 11, 13).

16 During a search of defendant's residence following defendant's  
17 arrest, law enforcement found several bags of rubber bands and an  
18 operable money-counting machine. (PSR ¶ 62.) Law enforcement also  
19 found what appeared to be a ledger documenting money-laundering  
20 transaction that defendant had seen and recorded. (Id.)

21 **III. PROBATION'S FINDINGS**

22 USPO issued a Presentence Investigation Report ("PSR") on  
23 December 1, 2025. (Dkt. 566, PSR.) The PSR calculated a total  
24 offense level of 13, and a Criminal History Category of I, resulting  
25 in an advisory guideline range of 12 to 18 months. (PSR ¶ 114.)

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27 <sup>1</sup> The PSR states that defendant "knew that he was registered,"  
28 but the United States believes this is a typo. The factual basis in  
the plea agreement states that "defendant knew that he was not so  
registered." (PSR ¶ 49; Plea Agreement ¶ 11) (emphasis added).

1       The United States does not object to the PSR's findings or  
2 guidelines calculation.

3 **IV. ARGUMENT**

4       The United States respectfully recommends that the Court  
5 sentence defendant to a midpoint Guidelines term of 15 months'  
6 imprisonment; a two-year term of supervised release; and the  
7 mandatory special assessment of \$100. Such a sentence is sufficient,  
8 but not greater than necessary, to achieve the goals of sentencing  
9 set forth in 18 U.S.C. § 3553(a).

10      **A. Nature and Circumstances of the Offense**

11       The nature and circumstances of the offense are serious and  
12 concerning. By agreeing to pick up and deliver U.S. currency that  
13 defendant knew or believed was the proceeds of unlawful activity or  
14 intended to promote unlawful activity, defendant participated in a  
15 money laundering organization and assisted a drug trafficking  
16 organization. (PSR ¶¶ 33-48). Defendant's conduct was not a  
17 victimless crime; rather, by transporting drug trafficking proceeds,  
18 defendant facilitated and enabled a drug trafficking organization to  
19 launder its proceeds, which helps perpetuate the cycle of further  
20 drug trafficking that has fueled an epidemic of addiction and  
21 overdose deaths throughout the country. (Id.)

22       Furthermore, defendant possessed in his home an operable money-  
23 counting machine and a ledger that appeared to document prior money-  
24 laundering transactions. (PSR ¶ 62). This evidence makes clear that  
25 defendant's conduct as a courier was not a one-time mistake but  
26 rather an intentional decision to participate in the conspiracy over  
27 an extended period of time. (Id.)

1           **B. History and Characteristics of Defendant**

2           Defendant was arrested in 2021 for possession of more than  
3 \$100,000 related to a transaction involving a controlled substance.  
4 (PSR ¶ 96). Although the charge was dismissed due to insufficient  
5 evidence, the United States considers this arrest for similar conduct  
6 to be an aggravating factor.

7           **C. Need to Avoid Unwarranted Disparities**

8           Section 3553(a)(6) requires the Court to minimize sentencing  
9 disparities among similarly situated defendants. One way of doing so  
10 is to sentence defendants within the guidelines range. See United  
11 States v. Treadwell, 593 F.3d 990, 1011 (9th Cir. 2010) ("Because the  
12 Guidelines range was correctly calculated, the district court was  
13 entitled to rely on the Guidelines range in determining that there  
14 was no 'unwarranted disparity' . . . ."); Gall v. United States, 552  
15 U.S. 38, 54 (2007) ("[A]voidance of unwarranted disparities was  
16 clearly considered by the Sentencing Commission when setting the  
17 Guidelines ranges."). The United States' recommended sentence, which  
18 is at the midpoint of the guidelines, avoids an unwarranted disparity  
19 with similarly situated defendants.

20           **V. CONCLUSION**

21           The United States respectfully recommends that the Court  
22 sentence defendant to a midpoint Guidelines term of 15 months'  
23 imprisonment; a two-year term of supervised release; and the  
24 mandatory special assessment of \$100. Such a sentence is sufficient,  
25 but not greater than necessary, to achieve the goals of sentencing  
26 set forth in 18 U.S.C. § 3553(a).